

either by a requesting carrier, the MPSC, or the Commission. Thus, in specific instances when a requesting carrier wishes to monitor such data, Ameritech will accommodate its request.

31. Finally, to the extent that any requesting carrier believes that a certain measure should be defined more clearly, Ameritech invites it to request such a clarification. As of now, however, only the DOJ has identified specific definitions that, in its judgment, need clarification.

B. Asserted Shortcomings in Ameritech's Performance Reports

1. Average Actual Installation Intervals for Resale

32. The DOJ suggests (at A24-26) that Ameritech should report average actual installation intervals for resale in addition to due dates not met and installation intervals of greater than six (6) days. The DOJ's stated rationale for requesting this performance measurement is that measuring rates of completion within a target period may not reveal a disparity in terms of the average timeliness within which the orders are provisioned.

33. There are several problems with the DOJ's approach. First, it is undisputed — either by the DOJ or by any other party — that orders vary so greatly in complexity of function and process required for completion as to render meaningless any "average" interval of installation time. See Mickens Aff., ¶ 36. For example, some orders require a field dispatch; others do not. Some require construction of facilities; others do not. Some wire centers can support complex features; others cannot. Some orders entail splitting the account; others do not. The DOJ's suggestion to exclude from the measure situations where the end user requests extended due dates — while subject to other objections, discussed below — does not address this more fundamental shortcoming in an average installation interval measurement.

34. Second, the DOJ's position incorrectly presumes that resale orders are provisioned on the basis of standard intervals. As explained in my individual reply affidavit (at ¶ 63), due date availability and assignment are based on number of variables — including the condition and availability of facilities, equipment, central office technicians, field technicians, and services available at the wire center that services the subject line — in the local telephone business. Indeed, each of these factors itself varies among Ameritech's 1200 wire centers. That is why the resale provisions in Ameritech's interconnection agreements contain no standard intervals; due dates vary with the above factors, and are assigned in the same way for retail customers and wholesale customers that purchase resold services.

35. Third, the DOJ's suggestion that orders for which the end user requests an extended due date could be excluded from the calculation is unrealistic. To begin with, Ameritech is dependent upon requesting carriers for data on whether the end user selected the first available due date or requested a later date. Ameritech's due dates are available on a "live" basis, and Ameritech cannot determine, after the fact, whether the due date submitted by the CLEC on behalf of its customer matches what was then available. Ameritech cannot independently verify whether the CLEC provides accurate information of this sort. In addition, whether an order is classified as one in which the end user selected the first available date or was assigned a requested date is in part a matter of characterization that different service representatives may handle differently. For example, suppose a customer calls and, before being offered an installation date, requests a due date that happens to be the first available due date. Some service representatives may code this order as one for which the first available due date was assigned; others may code the order as one for which the end user received a requested due

date. While such issues could be standardized with the assistance of an independent, third party, Ameritech is unable to control CLEC characterization of these orders.

36. Accordingly, the best way to determine whether requesting carriers are receiving parity of treatment is first to monitor whether they are receiving access to the same array of due dates that are available to Ameritech's service representatives, and second to monitor whether Ameritech is meeting those due dates with the same frequency as it meets its own due dates. Provided the CLEC has equal access to due dates, reporting due dates not met ensures that they are receiving parity of treatment.

37. That is what Ameritech has committed to do. Ameritech reports due dates not met (as well as intervals greater than 6 days) as part of its monthly reports, and whether Ameritech provides equal access to due dates can be monitored by any reasonable audit. I would note, however, that CLECs' service representatives obtain access to the same due dates as do Ameritech's service representatives, as explained in my initial affidavit (at ¶ 36).

38. The DOJ disclaims (at A26) a "commit[ment] to a particular method of obtaining the required information when an adequate substitute is available," but suggests that Ameritech's commitment to an audit in the future is not sufficient to warrant a finding of nondiscriminatory service today. The DOJ also complains that Ameritech has not proposed how such an audit might be conducted, and that doing so every six months for the first year and annually thereafter "appears too limited." Id.

39. These are hyper-technical objections to Ameritech's proposal. The DOJ does not deny that an audit of due date availability would better achieve the objective of ensuring parity of due date performance. Nor does it offer any specific audit proposal of its own. Nor is there

any record evidence to suggest that CLEC's are not receiving nondiscriminatory access to installation dates. Although I will not presume to delineate all of the specifics regarding how (or how often) such an audit should be conducted, I offer the following suggestions. First, the audit should be conducted on a real-time basis, using scripted requests or identical electronic orders submitted at the same time. In addition, in order for the audit to permit a meaningful comparison, the requests/orders must both request dates for the same service and features in the same geographic area (wire center). One might compare this type of audit to using testers in the housing discrimination context: all of the variables must be the same except for the identity of the customer. Remaining details may be worked out by the independent party that conducts the audit, but Ameritech is committed to cooperating with such an audit immediately.

2. Average Installation Intervals for Loops

40. The DOJ also contends (at A26-27) that Ameritech has "proposed no measure of installation interval" for unbundled loops (A36). It also acknowledges that "[t]he provisioning of unbundled loops does not have a direct analogy to any Ameritech retail function," but asserts that Ameritech's reports might conceal that it is meeting due dates where the end user requests longer due dates but missing them where they select the standard interval, and concludes Ameritech should measure average installation intervals. Id.

41. Measuring average installation intervals for loops suffers from the same defects as does measuring them for resale. Moreover, Ameritech's interconnection agreements provide for standard intervals based on quantity ordered, subject to certain limitations. These exceptions recognize that standard loop intervals are not always possible. For example, some loops require construction of facilities or demultiplexing a line from an IDLC. Therefore, DOJ's claim that

"no interval" exists for loops is wrong. These are plainly provided for in Ameritech's interconnection agreements. In addition, the DOJ's suggestion that reporting due dates not met might conceal whether Ameritech is meeting extended due dates but missing standard due dates does not support its argument that Ameritech should measure average actual installation intervals; rather, it simply suggests that it would be helpful if Ameritech's measurement of "due dates met" disaggregated extended dates from standard intervals. While Ameritech does not provide this information as part of its monthly reports, the Company is willing to provide it as a special analysis, upon the request of a carrier, the MPSC, or the Commission. Indeed, Ameritech is willing to perform a special analysis of the frequency with which it assigns due dates other than those requested, and the reasons for those changes — as it did for Brooks Fiber in my initial affidavit. See Mickens Aff., Schedule 29. I would add, however, that where Ameritech does not assign the requested due date, that decision is driven by parity and/or contractual concerns, as explained in my individual reply affidavit (¶ 65).

42. Of course Ameritech acknowledges that measurement of average installation intervals may be appropriate in limited circumstances — for example, as applied to a homogenous product set that is provisioned within a sufficiently long and relatively constant interval. Use of average installation intervals is not, however, an efficient means of measuring provisioning performance for services whose provisioning time varies with all of the factors endemic to the local exchange business. Provisioning time for POTS services alone, for example, typically ranges from six hours to six days — in other words, by as much as a factor of 24. This stands in marked contrast to provisioning time for Hicap services, such as DS-0s, DS-1s, and DS-3s, which ranges from seven to ten days — a factor of roughly 1.4. Thus, while

Ameritech has agreed to measure the average time that it takes to provision Hicap circuits to unaffiliated carriers and to its long distance affiliate, ACI, Ameritech opposes the application of average installation intervals to the local exchange services business generally. Cf. Comments of Ameritech, CC Docket No. 96-149, p. 12 (noting the importance of "recognizing the potential for significant differences in general characteristics of orders placed by [different carriers]").

3. Comparative Performance Information for Unbundled Elements

43. The DOJ further maintains (at A27-28) that the performance information in Ameritech's unbundled loops reports is not comparable or as complete as the information provided in its resale reports. Specifically, the DOJ states (at A28) that "Ameritech's retail results for trouble report rate, receipt to restore, and out of service over 24 hours are included as comparable in its resale reports and there is no obvious reason why they could not similarly be reported on the unbundled loop reports."

44. Contrary to the DOJ's suggestion, Ameritech does measure and report unbundled loop performance for trouble report rate, receipt to restore, and out of service over 24 hours. Compare Mickens Aff., Schedule 18, Section 1, p. 1 (Regional Loops) with Mickens Aff., Schedule 22, Section 1, p. 1 (Regional Resale). In fact, Ameritech's performance for unbundled loops is better than its performance for either itself or for CLECs as a whole in the retail/resale context, with respect to both the trouble report rate and lines out of service over 24 hours. Compare id., Schedule 18, Section 2, pp. 2, 4 with Schedule 22, Section 2, pp. 4, 6. With respect to the remaining measurement, mean time to repair, Ameritech's performance for unbundled loops was just 0:25 minutes longer per loop repair than for CLECs as a whole in the resale context. Compare id., Schedule 18, Section 2, p. 3 with Schedule 22, Section 2, pp. 7.

Thus, a side-by-side (albeit, "apples to oranges") comparison of the measurements requested by the DOJ shows that Ameritech's loop customers are receiving repair service that, on the whole, is better than that enjoyed by Ameritech Retail or CLECs purchasing resold services. Moreover, this data likely understates the quality of repair service provided to CLECs, in that the repair of unbundled loops is inherently slower than POTS, due to the additional time required to diagnose failures, since unbundled CLEC loops cannot be remotely tested utilizing Ameritech switches.

45. In addition to the information requested by the DOJ, Ameritech will also provide a special analysis comparing retail repair performance with unbundled loop repair performance against the measures identified above, upon the request of a carrier, the MPSC, or the Commission, as provided in Schedule 28 to my initial affidavit. I would note, however, that these data are not perfectly comparable. For example, Schedule 28 compares unbundled loop repair performance with retail repair performance for "Code 3s" and "Code 4s." Code 3s represent the drop wire (or, the portion of the loop from the distribution terminal to the house); Code 4s, however, represent not only the feeder and distribution cables and cross-connect, but the switch side of the main distribution frame in the central office. Thus, the repairs included in Ameritech's measurement of Code 3s and Code 4s will be broader than a measurement of repairs for unbundled loops alone. In addition, Ameritech's ability to test and to isolate problems is more limited with respect to unbundled loops. With retail and resale customers, Ameritech can perform diagnostic testing while the customer is on the line. With loops, however, Ameritech sometimes must travel to the loop side of the switch to perform such testing.

4. Other Missing Measures

46. The DOJ also comments (at A28-29) that "there are other performance measures which are discussed in the Friduss affidavit but are not apparent in Ameritech's proposed reporting plan." I will address these items in turn.

47. Service Order Accuracy. With respect to the DOJ's claims that Ameritech should measure the accuracy of its ordering performance, I would note that CLECS may verify order accuracy simply by using the pre-ordering interface to retrieve their customers' CSRs after the orders have been completed. (CSRs are generally updated within 24 hours of the completion of orders.) Ameritech measures new service failures for resold services, which permits CLECs to monitor such accuracy whenever Ameritech is notified of a trouble within the first seven days of service. Thus, it is unnecessary to create an additional report on the accuracy of Ameritech's service orders. To the extent that customers do not report new service failures, Ameritech itself is subject to the same limitation.

48. Held Orders. The DOJ also comments that Ameritech does not provide performance information regarding held orders. In response, I would again note that, as discussed above, while Ameritech does not provide such information to requesting carriers, it does not provide the information for its retail operations, either. Thus, requesting carriers are receiving parity of treatment in this regard. In addition, while Ameritech does not report this information on a monthly basis, it is willing to provide it as a special analysis upon request, either for a requesting carrier, the MPSC, or the Commission. Thus, in specific instances when a requesting carrier wishes to monitor such data, Ameritech will accommodate its request.

49. Order Flow-Through. The DOJ also notes (at A28 and note 49) that Ameritech "has provided some" information demonstrating the percentage of orders that flow-through Ameritech's OSS interfaces to its legacy systems without requiring manual intervention. Before responding specifically to this comment, however, I would first note that the ultimate measure of OSS performance is whether Ameritech is meeting its contractual obligations and providing parity and nondiscriminatory access to the products and services delineated in the Act. That is, while order flow-through is important, it is not an end in itself; rather, flow-through from Ameritech's OSS interfaces to its legacy systems simply facilitates the provisioning process. Put another way, the manner in which Ameritech's interfaces and legacy systems process orders is of secondary importance if CLECs are receiving timely and accurately provisioned products as well as the levels of service to which they are entitled. Thus, Ameritech is willing to provide flow through information as a special analysis upon request (see Rogers Aff., Schedule 9). In response to the DOJ's request for more information, the Andersen Team analyzed EDI order flow-through, including assessing the reasons for manual review and order rejects for the months of May and June. Their review and conclusions are described in the Gates/Thomas Reply affidavit. ¶ 24-52, Schedules 3-8.

50. Ameritech does not object to providing a summary of how CLEC orders are processed. It is in the CLECs' best interest to know such information, so that they can increase their electronic submissions of orders and decrease the amount of Ameritech manual review. (As I have noted, Ameritech's performance is dependent upon the cooperation that it receives from CLECs.) It is not reasonable, however, to require Ameritech to provide processing information for every order — especially given current volumes, which average in the thousands

per day. Second, Ameritech does not have the ability to track order flow-through in its downstream systems on an individual order basis. Moreover, deriving such flow-through data on a sub-system basis would require a special study, performed manually. Finally, even if it were possible for Ameritech to provide individual carrier information on order flow-through, it is important to remember that the standard by which the success of flow-through is measured must take account of the complexity of the local services business.

51. Billing Accuracy. The DOJ further contends (at A28) that Ameritech does not provide information on billing accuracy. As explained in my individual reply affidavit, Ameritech is presently in the process of developing a reliable means of reporting billing accuracy. To date, we have not received many complaints that the daily usage or monthly bills we provide are not accurate. Indeed, we process these CLEC bills under the same exacting methods and procedures used to process retail bills. Ironically, the so-called "3-E" situation is largely caused by the fact that the system edits in our legacy billing systems are very exacting and designed to ensure accurate billing. Nonetheless, Ameritech expects to provide its first reports on billing accuracy in the third quarter of 1997, first for daily usage, and for AEBS shortly thereafter.

52. Repeat Reports. The final "missing measure" identified (at A28-29) in the comments of the DOJ is "repeat reports," which Ameritech currently provides in its resale reports, but does not provide in its unbundled loops reports. Repeat reports, however, is not a standard measurement in the unbundled loop context, simply because it is rare in our experience that troubles related to the loop are recurring. Nonetheless, Ameritech will provide this information as part of a special analysis, upon the request of any wholesale customer. A

sample of this analysis is attached to this joint reply affidavit as Schedule 2. The results verify that repeat reports are very infrequent in the context of unbundled loops.

C. Pre-Ordering Response Times

53. The DOJ notes (at A6) that wholesale pre-order response times are approximately 10 seconds, compared with approximately 2-4 seconds for Ameritech Retail. The DOJ suggests that there is limited evidence in the record indicating that such a difference in response time is competitively significant, and that Ameritech has not shown the basis for its goal of providing wholesale pre-ordering access within 10 seconds.^{5/}

54. While the fact that Ameritech itself does not obtain pre-ordering information via Ameritech's OSS interfaces precludes a strict parity comparison, and while carriers such as AT&T and Sprint suggest that this disparity could lengthen pre-ordering transactions by approximately 20 seconds in total, it is noteworthy that no carrier — including AT&T and Sprint — averred that this disparity would affect its ability to attract customers with equal effectiveness. That is not surprising, as a 20 second disparity in completing pre-ordering functions is not likely to translate into a call that is 20 seconds longer: there are several items that must be discussed over the course of a customer call, and pre-ordering functions can be performed while they are being discussed. For example, service representatives typically discuss promotions, available features, maintenance plans, customer premises equipment that can be purchased, and credit checks, among other things, in the course of a pre-ordering call. Pre-ordering functions can

^{5/} The Department also states that Ameritech does not reveal the source of its retail preordering performance data. However, this information -- like the wholesale pre-ordering response time information -- was derived by Further Inspection, Inc. through an independent audit. No one has disputed Further Inspection's independence.

easily be completed during these discussions. Even if there were a 20 second disparity in the length of the call, moreover, neither the DOJ, AT&T, nor Sprint explain why that would impair the ability of requesting carriers to attract customers. Finally, I would note that a 20 second disparity complies with Ameritech's contractual obligations to provide pre-ordering information on a real-time basis with a response in seconds. See AT&T Agreement, §10.13.2. Thus, while a perfect, side-by-side comparison of OSS interface timeliness is not possible, Ameritech is nonetheless serving its wholesale customers in a manner that permits them to service their own customers with equal effectiveness.

55. The DOJ asserts (at A11) that a lack of clarity in the performance results reported by Ameritech, in the absence of a common language of measures and standards with which to gauge the operation of these new processes, makes it difficult to determine whether Ameritech is satisfying its obligations under §§ 251 and 271. Although, as discussed above, Ameritech will clarify its performance measurement definitions as requested by the DOJ, it is also important to remember that Ameritech is working to develop a common language with requesting carriers. That is the purpose of Ameritech's operational meetings with Brooks Fiber and other carriers, as demonstrated by the agreement that Ameritech has reached with Brooks Fiber and CCT regarding calculation of outage and installation times. Ameritech is committed to addressing these issues as they arise.

D. Resale Due Date and Provisioning Performance

56. The DOJ raises several concerns about Ameritech's resale provisioning performance (at A12-14). Because Ameritech does not measure average installation intervals, as discussed above, the DOJ suggests that Ameritech's due date performance figures must be

described with particular clarity. The DOJ notes that there are legitimate reasons for changing due dates, but suggests that when due dates are changed on account of inadequate processing capacity, Ameritech's reported data may mask important processing problems. Thus, the DOJ concludes (at A14) that Ameritech met the appropriate due date more than 76% of the time but less than Ameritech's stated performance of 98.8% of the time.

57. I have already discussed how due dates are assigned in the resale context. I would add, however, that, on an aggregate basis, Ameritech modified less than one-fourth (7,062/28,648) of CLEC-requested due dates during the January 1 through May 7, 1997 time period, all of which were selected by the CLECs either without contacting Ameritech, or on the basis of information conveyed in a telephone consultation that often was no longer current upon Ameritech's receipt of the order. See Mickens Aff., Schedule 32. Given the fact that no CLEC — including AT&T — has electronically bonded with Ameritech for the purpose of selecting due dates, these figures indicate that Ameritech is providing CLECs with a high level of service quality. The circumstances for changing due dates are discussed in the Gates/Thomas Reply Aff. ¶¶ 53-55, Schedule 8.

E. Manual Capacity

58. The DOJ suggests (at A14-15) that Ameritech's reliance on manual review, and purported lack of adequate manual capacity to match the sudden "spike" in AT&T's orders in late April 1997, caused a backlog and resulted in the modification of an excessive number of due dates. The DOJ states that the marketplace may not accommodate Ameritech's expectation of relatively stable volume increases. Given Ameritech's stated capacity, the DOJ asserts that the manner in which Ameritech handled the unexpected volume swings in April is a cause for concern.

59. The DOJ is incorrect. The volume of orders that Ameritech received in late April 1997 must be placed in historical context. From February 1996, when Ameritech first began providing resold services, actual orders consistently fell far short of CLEC-projected demand. This was particularly true for AT&T, which forecasted demand of several times the XXX or XXX orders per day than it actually placed during the early 1997 period. Thus, it came as some surprise to Ameritech when AT&T's orders jumped from XXX on April 22, to XXX on April 23, and to XXX on April 29. While the DOJ is correct to note that volumes will not always be perfectly stable, neither should they be completely unpredictable. Moreover, while it is reasonable to expect Ameritech to be able to handle relatively dynamic volume increases based on market demands, it is also reasonable to expect that requesting carriers — including AT&T — would provide Ameritech reasonable notice in advance of a dramatic spike in their orders, and not simply call Ameritech after the close of normal business hours to report that a 1000% + increase in orders is on its way, or schedule a "promotion" that results in another dramatic spike in order volume just prior to a pre-announced Ameritech shutdown of the ordering system for regularly scheduled upgrades.

60. The Illinois Hearing Examiner, who addressed this issue on a full record including live testimony and cross examination, concluded that it was not reasonable to expect Ameritech to accommodate this kind of dramatic increase in demand:

As a prime example [of the distance between the positions of Ameritech and AT&T,] the Commission cites AT&T's contention that at AT&T's order volumes ramped up, Ameritech's performance deteriorated. Ameritech explained that this "ramp" up was almost vertical. From a level of 200-300 orders per day that Ameritech received during the first three weeks of April, Ameritech without notice suddenly received 2156 orders on April 23. This important fact was left out by AT&T. Is the problem as

serious as AT&T characterizes? The Commission is of the opinion that it is unreasonable to contend that an 1000% increase in orders will not cause any problems. We must hold Ameritech to a reasonable standard. This means that Ameritech must be able to handle reasonable fluctuations in demand. The record indicates that Ameritech can do so.

Ill. 6/20 HEPO, Doc. No. 96-0404, pp. 50-51. The conclusion of the Illinois Hearing Examiner should be accorded substantial weight in light of his statutory role to develop a record and assess the facts on these issues.

61. In any event, Ameritech continues to hire additional services representatives to accommodate increased demand. (Indeed, on June 23, 1997, AT&T informed my account managers that, beginning the following day, it intended to increase its orders by an additional XXX to XXX orders per day. Ameritech began receiving such volumes three days later. See Schedule 3.) For example, Ameritech has doubled the number of Service Center representatives assigned to resale in just the past three months. See Schedule 4, Letter from Neil Cox to William Ketchum, AT&T). By the end of the year, Ameritech intends to quadruple the size of its current resale staff and to open another Service Center. Ameritech has been successful, moreover, in eliminating the backlog of orders from AT&T. I would note that AT&T continues to make unreasonable demands upon our Service Center, by placing calls to request status reports — which Ameritech provides electronically, via 855 and 865 transactions — and to obtain telephone numbers — which AT&T could select and reserve electronically, over the pre-ordering interface. See Schedule 5 (Letter from Barbara Perschbacher to Ed Cardella, AT&T). See also, Gates/Thomas Reply Aff. ¶¶ 78-83, Schedule 13.

F. Order Processing Performance

62. The DOJ also asserts (at A16-18) that Ameritech's performance in returning FOCs in a timely fashion is inadequate. The DOJ suggests (at A17) that because an order cannot be completed prior to the entry of a FOC into Ameritech's OSS, the timeliness within which Ameritech returns FOCs is an indication of the minimum time that Ameritech requires to complete an order. The DOJ suggests that FOCs and rejection notifications play an important role in requesting carriers' ability to keep their customers apprised of installation dates.

63. The DOJ's analysis is based on incomplete data. First, Ameritech's due date performance continues to improve, notwithstanding these asserted shortcomings in Ameritech's FOC performance. Indeed, in the month of May 1997 — when Ameritech received more than 35,000 resale orders — Ameritech timely provisioned 98.8% of wholesale orders, compared with 98.9% of Ameritech retail orders — a differential of only 0.1%. See Mickens Reply Aff., Schedule 13, Section 2, Page 2. Thus, the DOJ's theory does not hold true in practice. Ameritech's FOC performance also improved substantially in May. See Mickens Reply Aff., Schedule 13, Section 2, Page 8. See Also Gates/Thomas Reply Aff. ¶¶ 56-57, Schedule 9. Finally, requesting carriers receive their assigned due date at the pre-ordering stage. Thus, they are able to inform their end users regarding scheduled installation dates. Ameritech's performance will continue to improve as carriers submit more orders electronically and as carriers electronically bond with Ameritech for the purpose of obtaining pre-order information. Compare Mickens Aff., Schedule 25, Section 1, Page 1 (electronic FOCs) with Schedule 22, Section 2, Page 8 (all FOCs).

64. The DOJ states (at A23) that it will look for improvement in the timeliness of Ameritech's delivery of AEBS bills in the coming months. While the May data do not reflect the performance of Ameritech's new billing system (Ameritech delivered 75.8% of its bills late during May), appended to my individual reply affidavit as Schedule 7 is a chart depicting the results for June. Specifically, of 36 total AEBS bills, just four (4) — or 11.1% — were delivered late. These four late bills, moreover, were all delivered just 1 day late. Thus, these results demonstrate that Ameritech has successfully resolved the problem.

IV. Trunk Blockage

65. I already have explained the operational aspects of provisioning end office integration ("EOI") trunks, which provide CLECs with interconnection at Ameritech tandem offices and central offices. (Mayer Aff., ¶¶ 16-31.) I have also rebutted in detail allegations that CLEC calls have been blocked due to allegedly inadequate trunking — in particular, allegations that CLEC call blocking exceeds the norms experienced by Ameritech's own retail customers. (*Id.*, ¶¶ 32-56.)

66. The DOJ, based in large measure upon the Ameritech End Office Integration Performance Manual for March and April and charges brought by TCG and its affiant Michael Pelletier, concluded that Ameritech has not satisfied the interconnection checklist item (§ 271(c)(2)(B)(i)) due to this allegedly excessive CLEC call blocking. (DOJ Evaluation at 24-27, A31-A32; TCG Comm. at 4-8; Pelletier Aff., ¶¶ 10-24.) I will explain why the DOJ's conclusion is based upon a faulty analysis of the relevant data and represents an unreasonable position under the circumstances. I also will provide the EOI blocking data for May, which demonstrates another significant improvement — particularly for Michigan. Finally,

supplementing Mr. Monti's affidavit, I will explain why certain of TCG's charges are overblown, misleading and (at times) utterly false.

A. Background Principles

67. The DOJ's conclusions and discussion of trunk blocking appear to rest, at least in part, upon an incomplete understanding of trunk engineering and trunking principles. Before proceeding any further, then, I will describe the different types of trunk groups in Ameritech's network, how trunk blocking arises, and the relationship between trunk blocking and call blocking.

68. Ameritech currently engineers three major types of trunk groups in its network: (1) High Usage (HU) groups; (2) Alternate Final (AF) groups; and (3) Direct Final (DF) groups.

69. The HU group carries "first routed" traffic, as well as combined "first routed" and "overflow" traffic, between two Central offices under circumstances where the volume of traffic justifies the direct routing of traffic. ("First routed" traffic refers to calls that are initiated over the HU group as a first choice, while "overflow" traffic refers to calls that are first directed to an HU group but then are re-routed to an alternate final group for completion.) When at capacity, the HU group is designed to overflow a predetermined amount of traffic to an AF trunk group. Normally, "overflow" traffic occurs during the hour of the day when traffic is at its peak (the "busy hour"). Because the HU group is designed to handle a lower volume of traffic than the busy hour volume – for reasons having to do with the efficient configuration of the network – it is designed to overflow that traffic to AF trunk groups. It is the HU type of trunk group to which I referred in my previous affidavit (¶ 36), where I indicated that direct end-office-to-end-office trunking should be established when the call volume between a particular

Ameritech end office and a particular CLEC end office reaches a volume that economically warrants direct trunking.

70. It is important to note that overflow on HU trunk groups does not mean that actual call blockage is occurring. The reason, as I just explained, is that HU trunk groups, when at capacity, route advance calls to other facilities (AF trunks) for alternate routing to the called destination. Thus, blocking or overflow statistics on HU trunk groups are not reported to the Commission because calls are not being blocked.

71. The second type of trunk group is the Alternate Final ("AF") trunk group. An AF trunk group carries "first routed" traffic where it is the only path between two offices; AF trunk groups also carry traffic overflowed from HU trunk groups. AF trunk groups typically connect an end office and a tandem office – both (1) within the Ameritech network, and (2) between Ameritech's network and a CLEC's network (i.e., EOI trunk groups). These trunk groups are engineered to a performance level of 0.5%, which means that during the busy hour in the busy season, no more than 5 calls in 1000 should experience blockage.

72. Since AF trunk groups are the only remaining paths for completion of calls, blockage on an AF trunk group usually indicates that the calls involved (if further corrective measures are not taken) are blocked and do not complete. (The exception is EOI local trunk groups, which I explain below.) For that reason, blockage on AF trunk groups is the true measure of network performance, which explains why AF trunk groups are engineered and maintained to such a high standard. It is final route trunk group blockage that LECs report to the Commission on a monthly basis, and that is discussed by the DOJ in their comments.

73. The third type of trunk group, the Direct Final ("DF") trunk group, is not used today to connect Ameritech's network and a CLEC's network. This type of trunk group provides a single path to carry calls between two offices – typically two end offices – and does not receive or provide overflow to other trunk groups. DF trunk groups are engineered to a performance level of 1.0%, which means that they are designed to block only 1 out of every 100 calls routed to the group during the busy hour in the busy season.

B. DOJ Allegations of Excessive EOI Trunk Blockage

74. The DOJ concludes in its Evaluation (pp. 25-27) that Ameritech does not provide interconnection on "nondiscriminatory terms" because it did not provide evidence that it is providing adequate trunk groups for CLECs. The basis for DOJ's conclusion is data included in Ameritech's April 1997 EOI Quality Initiative Analysis Report ("Report"), as well as certain allegations raised by TCG. The report shows that, for the five-state region during the months of March and April, 9.4% of the end office integration ("EOI") trunk groups used to transmit interLATA traffic were blocking 2% or more, and that 6.6% of EOI trunk groups used to transport local and intraLATA toll calls exceeded the 2% threshold. DOJ noted that "[t]he comparable blocking rate for Ameritech retail in the five-state region was 1.5%" for the same two months. DOJ's concern is that the "difference between the competitor's experience and Ameritech's own retail blocking rate is sufficiently significant as to deviate from Section 251(c)(2)'s mandate that CLECs be afforded interconnection arrangements on 'nondiscriminatory' terms." (*Id.*, pp. 25-26.)

75. I will show that the DOJ's conclusion is based upon a misunderstanding and misapplication of the data in the Report, as well as a failure to appreciate the data's significance

and impact on customer service. First, by focusing on consolidated five-state figures, the DOJ failed to even consider the significantly better results reported in Michigan, which is (or should be) the subject of this application. Unlike Ameritech's regional operational support systems, it is not reasonable to assume that if an EOI trunking problem exists in another state, it is fair to "assume that the problem exists in Michigan..." (See A9). Trunking is state-specific. Second, by consolidating March and April figures, the DOJ failed to account for the improvement over time that occurred from March to April. In this regard, the May results are now available, and they show a dramatic continuation of the improvement in service levels on both EOI and retail trunk groups, and also a continuation of the narrowing of the gap between the two. In fact, in May there was less blocking on EOI trunk groups in Michigan than there was on retail trunk groups in Michigan. There are other matters involving the DOJ's analysis that I discuss below. All told, however, the EOI trunk blocking highlighted by the DOJ concerns blocking on a very few trunk groups, and further only affects a few calls out of every 10,000. This blocking simply will not have any reasonable impact on a CLEC's ability to compete and provide service, and thus is not a reasonable basis for a conclusion that Ameritech has failed to provide reasonable and nondiscriminatory interconnection based upon this blockage.

76. As a result of DOJ's expressed concerns about EOI trunk group blockage, Ameritech conducted an audit of its EOI Report and discovered that it had erroneously included some non-final EOI trunk groups. (As I explained earlier, it is not appropriate to measure blockage on non-final trunk groups, since those trunk groups simply overflow traffic to other facilities.) Attachment 6 is a revised EOI Quality Initiative Analysis Report, which depicts the revised EOI blockage results for March and April of 1997, as well as the new results for May.

The interLATA results are unchanged, but the intraLATA results show modestly higher blockage (10.7% vs. 9.4% for March, and 6.2% vs. 4.4% for April) for the consolidated five-state region. Still, the revised intraLATA results show significantly better results for Michigan (7.9% for March and 4.5% for April) than for the consolidated five-state region.

77. Let me first address the 9.4% region-wide interLATA blockage figure for March and April; this is the figure that concerned the DOJ. It is important to put this statistic in perspective. First, a reported figure for interLATA blockage of "9.4%" does not mean that a trunk group is blocking 9.4% of the time, or that 9.4% of the interLATA calls for CLEC customers are being blocked. Rather, a 9.4% figure simply means that on 9.4% of the interLATA trunks during the busy hour of the day (i.e., the hour during which traffic is the heaviest), there was blockage for more than 2% of the calls. It is also reasonable to assume that about 10% of all traffic will be handled by a trunk group during the busy hour. Thus, even for a blockage rate of 9.4%, all but a few calls in 10,000 are successfully completed during the entire day. This is hardly a service-affecting rate. And even if a call is blocked, that does not mean that the customer was prevented from ultimately completing a call, or that the CLEC lost the revenue associated with the call. The reason is that, in most instances, the originating caller receives a "fast busy signal" when placing the call, and then places and completes a call shortly thereafter.

78. Second, because of the low number of interLATA trunks for which Ameritech reports in its five-state region (31 for March and 33 in April), a small number of out-of-parameter trunk groups has a deceptively large effect on the reported figure. Indeed, the March interLATA EOI blockage figure of 9.7% and the April interLATA EOI blockage figure of

9.1% resulted entirely from blockage on just three out-of-parameter trunk groups outside of Michigan. Thus, the impact of an isolated and intermittent problem on one or two groups can have a wildly disproportionate effect on the five-state blockage figures.

79. Third, as the foregoing paragraph makes clear, none of the out-of-parameter interLATA trunk groups in March, April or May were located in Michigan, the relevant state for this application. Thus, the blockage rate for Michigan during those months was 0.0%. The DOJ did not take this fact into account in determining that Ameritech failed to meet the interconnection checklist item in Michigan.

80. Let me now turn to intraLATA and local EOI trunk groups. As I noted, the DOJ expressed concern over the five-state blockage figures, which are 10.7% for March and 6.2% for April, compared to a 1.5% rate for Ameritech retail. The DOJ's analysis masked several important matters. First, as I just noted, the DOJ considered only regional statistics, and did not separately consider the Michigan figures. In March, the local and intraLATA EOI blockage figure for Michigan was 7.9% (3 out of 38 trunk groups), while the figure for April was 4.5% (2 out of 44 trunk groups). Michigan's figures thus were significantly lower than the regional figures. And, as I just explained, they were based upon a small sample size, so that two or three out-of-parameter trunk groups had a large effect on the overall percentage.

81. Second, the DOJ combined the results for March and April, and thus failed to account for the significant improvement that occurred over time. On a five-state basis from March to April, the blockage figure for intraLATA and local EOI trunk groups improved from 10.7% to 6.2%, while in Michigan the figure improved from 7.9% to 4.5%. The results were even better in May – dropping to 2.3% in the five-state region and 0.0% in Michigan (compared

to 1.0% for Ameritech retail). Thus, the May figures are better for Michigan EOI intraLATA and local trunk groups than for Ameritech retail. For the entire region, blockage in May was quite low (resulting entirely from three trunk groups outside of Michigan) and quickly closing to parity with Ameritech retail.

82. Third, the reported local and intraLATA EOI trunk group blockages did not necessarily result in actual call blockage. The reason is that Ameritech instituted network management re-routes for these EOI trunks – meaning that excess local calls are re-routed from busy local trunk groups to non-local EOI trunk groups – which ensured that most of the calls were completed. Therefore, the reported intraLATA and local blockage figures for April and May (4.7% and 2.3%, respectively) significantly overstate the actual level of call blockage on EOI trunks during the busy hour. In fact, it is entirely possible that the actual call blockage on local and intraLATA EOI trunk groups is less than what is being experienced on Ameritech's retail trunk groups. In fact, traffic on all but one of these out-of-parameter EOI trunk groups in Illinois in May was successfully re-routed.

83. This analysis shows that the DOJ's concerns are unfounded. The bottom line is this: Ameritech's region-wide blockage figures have dramatically improved over the past month. More important for purposes of Ameritech Michigan's Section 271 application, the May EOI Quality Initiative Analysis Report for Michigan shows a 0.0% out-of-parameter figure for both interLATA EOI trunks and intraLATA and EOI local trunks.

84. Even putting these matters aside, there are other valid reasons why EOI trunk blockage figures might be higher (on a region-wide basis), and might have been higher in Michigan in the past, than the figures for Ameritech retail. As I explained in my previous

affidavit (Mayer Aff., ¶¶ 44-46), blockage problems often arise when a CLEC does not advise Ameritech of a forthcoming significant increase in traffic. In fact, such a situation arose with TCG at Ameritech's Northbrook tandem in Illinois. After experiencing call blockage on TCG's EOI trunk groups, Ameritech learned that TCG had added a hospital to its network that accounted for a large increase in traffic.

85. The DOJ agrees with Ameritech "that EOI trunk blocking rates could potentially be reduced with improved traffic forecasts," and "urge[d] CLECs to provide such data to the fullest extent possible." (DOJ Evaluation at 27.) Nonetheless, the DOJ brushed aside this explanation for past EOI trunk blockage for essentially two reasons.

86. First, DOJ stated that "[t]o the extent that Ameritech's characterization of the varying nature of the CLECs' call or trunk groups might explain the different rates of call blockage, the record currently contains no evidence in support of this claim -- i.e., that Ameritech's internal performance standards vary by the volatility of traffic on the trunk group." (DOJ Evaluation at 26.)

87. This response reflects a misunderstanding on DOJ's part. Ameritech's trunking systems do compensate for traffic volatility. Specifically, Ameritech uses Wilkinson trunking formulas, which tailor trunking tables to match traffic characteristics. That is, day-to-day traffic variations, as well as hourly peakedness, are calculated. Once traffic data are collected, they are processed through trunking algorithms, and the appropriate trunk group sizing table is applied. The greater the traffic volatility, the more trunks are required. Thus, the DOJ is wrong to say that Ameritech's performance standards should change to account for volatility (peakedness).